



Brownfields Cleanup Revolving Loan Fund Pilot

Yonkers, NY

Outreach and Special Projects Staff (5101)

Quick Reference Fact Sheet

EPA's Brownfields Economic Redevelopment Initiative is designed to empower states, communities, and other stakeholders in economic redevelopment to work together in a timely manner to prevent, assess, safely clean up, and sustainably reuse brownfields. A brownfield is a site, or portion thereof, that has actual or perceived contamination and an active potential for redevelopment or reuse. EPA is funding: assessment demonstration pilot programs (each funded up to \$200,000 over two years), to assess brownfields sites and to test cleanup and redevelopment models; job training pilot programs (each funded up to \$200,000 over two years), to provide training for residents of communities affected by brownfields to facilitate cleanup of brownfields sites and prepare trainees for future employment in the environmental field; and, cleanup revolving loan fund programs (each funded up to \$500,000 over five years) to capitalize loan funds to make loans for the environmental cleanup of brownfields. These pilot programs are intended to provide EPA, states, tribes, municipalities, and communities with useful information and strategies as they continue to seek new methods to promote a unified approach to site assessment, environmental cleanup, and redevelopment.

BACKGROUND

Over the past 30 years, the City of Yonkers has witnessed a rapid decline in its manufacturing base. The most affected parts of the City are located in the southwest section. This area is characterized by higher unemployment and poverty rates than the City as a whole. It includes the Nepperhan Valley, the Downtown area, and the Hudson River Waterfront. The Yonkers BCRLF will focus on these southwest communities, although it will be available to cleanup and redevelopment projects throughout the city.

BCRLF OBJECTIVES

The City of Yonkers aims to use its BCRLF to facilitate the cleanup and redevelopment of industrial properties. Most of the targeted sites have a high potential for redevelopment due to excellent rail, water, and road transportation access. The overall goals of the BCRLF are to:

- Assess, cleanup, and return the city's brownfields to productive uses, i.e., to create jobs, contribute to the tax base, and reclaim public enjoyment of natural resources;

PILOT SNAPSHOT



Yonkers, New York

Date of Announcement:
May 25, 1999

Amount: \$500,000

BCRLF Target Area:
The City of Yonkers, focusing on the city's southwestern areas (the Nepperhan Valley, the Downtown area, and the Hudson River Waterfront)

Contacts:

Office of Economic Development
(914) 377-6797

Region 2 Brownfields
Coordinator
(212) 637-4314

Visit the EPA Region 2 Brownfields web site at:
www.epa.gov/region02/superfnd/browfld/bfmainpg.htm

For further information, including specific Pilot contacts, additional Pilot information, brownfields news and events, and publications and links, visit the EPA Brownfields web site at:
<http://www.epa.gov/brownfields/>

- Protect rivers and other natural resources from further environmental degradation;
- Leverage public and private funds to create jobs and economic growth;
- Involve community groups and organizations in the decision making process; and
- Improve the quality of life in environmental justice neighborhoods near the brownfields.

FUND STRUCTURE AND OPERATIONS

The City's Office of Economic Development will serve as the lead agency. The City is currently negotiating with a potential site manager. The City will either serve as the fund manager itself or seek the services of a third party through proper procurement procedures. Interest rates are expected to be at 7 percent, with loan amounts ranging from \$50,000 to \$100,000. No principal repayments will be required during the cleanup period and a maximum 5 year amortization period will be utilized thereafter. The City's plans to target its lending efforts to its southwest sections.

LEVERAGING

Properties in the Nepperhan and Downtown Waterfront areas are eligible for property tax abatements and are entitled to wage tax credits, investment tax credits, and New York State sales tax refunds on building materials under the State's Economic Development Zone Program. The City will use funding under the State's Environmental Bond Act, which provides 75 percent reimbursement for cleanup costs, at adjacent municipally-owned properties. The City will encourage private investment in brownfields cleanup by educating landowners and developers on the Brownfields Tax Incentive and will make local banks aware of provisions contained within the City of Yonker's Community Reinvestment Act. The City will provide in-kind services in the form of fund tracking, monitoring, accounting, auditing, legal services, community outreach coordination, and public promotion.

Use of BCRLF Pilot funds must be in accordance with CERCLA, and all CERCLA restrictions on use of funding also apply to BCRLF funds.
